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United Nations Industrial Development Organization ORIGINAL: ENGLISH

Industrial Development Board
Fourteenth session
Vienna, 26-30 June 1995

Programme and Budget Committee
Eleventh session
Vienna, 24-28 April 1995
Item 7 of the provisional agenda

SCALE OF ASSESSMENTS FOR THE APPORTIONMENT OF THE REGULAR BUDGET EXPENSES

Scale of assessments for the fiscal period 1996-1997

Note by the Secretariat

1. In accordance with Article 15.1 of the Constitution of UNIDO, "regular budget expenditures shall be borne by the Members, as apportioned in accordance with a scale of assessments established by the Conference by a two-thirds majority of the Members present and voting, upon the recommendation of the Board adopted by a two-thirds majority of the Members present and voting, on the basis of a draft prepared by the Programme and Budget Committee."

2. Article 15.2 states that "the scale of assessments shall be based to the extent possible on the scale most recently employed by the United Nations. No Member shall be assessed more than 25 per cent of the regular budget of the Organization."

3. On 23 December 1994, the General Assembly adopted resolution 49/19 B, in which a new United Nations scale of assessments was approved for the years 1995, 1996 and 1997 with respect to rates of assessments of Member States as contained in General Assembly document A/49/673/Add.1 on the scale of assessments for the apportionment of the expenses of the United Nations. The new United Nations scale of assessments incorporates, *inter alia*, a gradual approach to the phasing out of the scheme of limits over the three years of the 1995-1997 scale period. The proposed scale of assessments for contributions to the UNIDO regular budget for the 1996-1997 biennium is therefore based, to the extent possible, on United Nations General Assembly resolution 49/19 B. 1/ Of the 166 States that are Members of UNIDO in accordance with Articles 3, 24 and 25 of the Constitution, 85 have exactly the same assessment in 1996 and 1997 under both the United Nations scale and the proposed UNIDO scale.

4. Adjustments to the scale to include any State that becomes a Member between now and the closure of the sixth session of the General Conference in accordance with Articles 3, 24 and 25 of the Constitution will be communicated to the Conference.

1/ Assessments for 1995 are in accordance with General Conference decision GC.5/Dec.13.

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5. The application of the assessment rates adopted by the General Assembly for the years 1996 and 1997 to Members of UNIDO in 1996 and 1997 produces a total of 97.1375 per cent and 97.15 per cent, respectively, owing to differences in membership between the United Nations and UNIDO (see annex). To produce a scale of assessments that covers 100 per cent of regular budget expenditures, it is necessary to apply a mathematical coefficient to the United Nations rates for UNIDO Member States. The coefficient, which is not applied to the rates of United Nations Member States paying the minimum assessment of 0.01 per cent or the rate of the United Nations Member State paying at the maximum of 25.00 per cent, is calculated in the table below.

6. Column (5) of the annex to the present note shows the adjusted rates for the scale of assessments for the year 1996 for States that were Members of UNIDO as of 31 January 1995, by applying the coefficient 1.040149 as explained in paragraph 5 above. Column (6) shows the adjusted rates for the year 1997 based on the same membership by applying the coefficient 1.039966.

7. In accordance with financial regulation 5.6, new Members will be assessed for the year in which they become Members on the basis of the United Nations scale of assessments.

ACTION REQUIRED BY THE COMMITTEE

8. The Committee may wish to propose to the Industrial Development Board that it recommend to the General Conference the establishment of a scale of assessments for the 1996-1997 biennium based on General Assembly resolution 49/19 B to be adjusted to the membership of UNIDO. In accordance with financial regulation 5.6, new Members shall be assessed for the year in which they become Members on the basis of the United Nations scale of assessments as applicable to UNIDO.

Calculation of coefficient

(Percentage)

	United Nations rate of assessment		UNIDO rate of assessment	
	1996	1997	1996	1997
Total	97.1375	97.15	100.00	100.00
For the Member State bearing the highest assessment	25.0000	25.00	25.00	25.00
For the 84 Member States bearing the lowest assessment (84 x 0.01 per cent)	0.8400	0.84	0.84	0.84
	25.8400	25.84	25.84	25.84
Total for calculation of coefficient	71.2975	71.31	74.16	74.16

1996 coefficient 74.16/71.2975 = 1.040149

1997 coefficient 74.16/71.31 = 1.039966

Annex

SCALE OF ASSESSMENTS FOR 1996 and 1997

(Percentage)

	UNITED NATIONS				UNIDO	
	Rates for Member States a/	Rates for non-Member States b/	Rates for Member States a/	Rates for non-Member States b/	Rates for Member States: (1) or (2) multiplied by co-efficient 1.040149 c/	Rates for Member States: (3) or (4) multiplied by co-efficient 1.039966 c/
	1996		1997		1996	1997
Member States	(1)	(2)	(3)	(4)	(5)	(6)
Afghanistan	0.0100		0.01		0.0100	0.01
Albania	0.0100		0.01		0.0100	0.01
Algeria	0.1600		0.16		0.1664	0.17
Angola	0.0100		0.01		0.0100	0.01
Argentina	0.4800		0.48		0.4993	0.50
Armenia	0.0550		0.05		0.0572	0.05
Australia	1.4800		1.48		1.5394	1.54
Austria	0.8650		0.87		0.8997	0.90
Azerbaijan	0.1175		0.11		0.1222	0.11
Bahamas	0.0200		0.02		0.0208	0.02
Bahrain	0.0200		0.02		0.0208	0.02
Bangladesh	0.0100		0.01		0.0100	0.01
Barbados	0.0100		0.01		0.0100	0.01
Belarus	0.2925		0.28		0.3042	0.29
Belgium	1.0075		1.01		1.0480	1.05
Belize	0.0100		0.01		0.0100	0.01
Benin	0.0100		0.01		0.0100	0.01
Bhutan	0.0100		0.01		0.0100	0.01
Bolivia	0.0100		0.01		0.0100	0.01
Bosnia and Herzegovina	0.0125		0.01		0.0130	0.01
Botswana	0.0100		0.01		0.0100	0.01
Brazil	1.6200		1.62		1.6850	1.68
Bulgaria	0.0825		0.08		0.0858	0.08
Burkino Faso	0.0100		0.01		0.0100	0.01
Burundi	0.0100		0.01		0.0100	0.01
Cameroon	0.0100		0.01		0.0100	0.01
Cape Verde	0.0100		0.01		0.0100	0.01
Central African Republic	0.0100		0.01		0.0100	0.01
Chad	0.0100		0.01		0.0100	0.01
Chile	0.0800		0.08		0.0832	0.08
China	0.7350		0.74		0.7645	0.77
Colombia	0.1000		0.10		0.1040	0.10
Comoros	0.0100		0.01		0.0100	0.01
Congo	0.0100		0.01		0.0100	0.01
Costa Rica	0.0100		0.01		0.0100	0.01
Côte d'Ivoire	0.0100		0.01		0.0100	0.01
Croatia	0.0900		0.09		0.0936	0.09
Cuba	0.0525		0.05		0.0546	0.05
Cyprus	0.0300		0.03		0.0312	0.03
Czech Republic	0.2600		0.25		0.2704	0.26
Democratic People's Republic of Korea	0.0500		0.05		0.0520	0.05
Denmark	0.7175		0.72		0.7463	0.75

Member States	UNITED NATIONS				UNIDO	
	Rates for Member States a/	Rates for non-Member States b/	Rates for Member States a/	Rates for non-Member States b/	Rates for Member States: (1) or (2) multiplied by co-efficient 1.040149 c/	Rates for Member States: (3) or (4) multiplied by co-efficient 1.039966 c/
	1996		1997		1996	1997
	(1)	(2)	(3)	(4)	(5)	(6)
Djibouti	0.0100		0.01		0.0100	0.01
Dominica	0.0100		0.01		0.0100	0.01
Dominican Republic	0.0100		0.01		0.0100	0.01
Ecuador	0.0200		0.02		0.0208	0.02
Egypt	0.0700		0.08		0.0728	0.08
El Salvador	0.0100		0.01		0.0100	0.01
Equatorial Guinea	0.0100		0.01		0.0100	0.01
Ethiopia	0.0100		0.01		0.0100	0.01
Fiji	0.0100		0.01		0.0100	0.01
Finland	0.6175		0.62		0.6423	0.64
France	6.4075		6.42		6.6648	6.68
Gabon	0.0100		0.01		0.0100	0.01
Gambia	0.0100		0.01		0.0100	0.01
Georgia	0.1175		0.11		0.1222	0.11
Germany	9.0425		9.06		9.4056	9.42
Ghana	0.0100		0.01		0.0100	0.01
Greece	0.3800		0.38		0.3953	0.40
Grenada	0.0100		0.01		0.0100	0.01
Guatemala	0.0200		0.02		0.0208	0.02
Guinea	0.0100		0.01		0.0100	0.01
Guinea-Bissau	0.0100		0.01		0.0100	0.01
Guyana	0.0100		0.01		0.0100	0.01
Haiti	0.0100		0.01		0.0100	0.01
Honduras	0.0100		0.01		0.0100	0.01
Hungary	0.1400		0.14		0.1456	0.15
India	0.3100		0.31		0.3225	0.32
Indonesia	0.1400		0.14		0.1456	0.15
Iran (Islamic Republic of)	0.4675		0.45		0.4863	0.47
Iraq	0.1400		0.14		0.1456	0.15
Ireland	0.2100		0.21		0.2184	0.22
Israel	0.2675		0.27		0.2783	0.28
Italy	5.1975		5.25		5.4062	5.46
Jamaica	0.0100		0.01		0.0100	0.01
Japan	15.4350		15.65		16.0547	16.28
Jordan	0.0100		0.01		0.0100	0.01
Kenya	0.0100		0.01		0.0100	0.01
Kuwait	0.1900		0.19		0.1976	0.20
Kyrgyzstan	0.0325		0.03		0.0338	0.03
Lao People's Democratic Republic	0.0100		0.01		0.0100	0.01
Lebanon	0.0100		0.01		0.0100	0.01
Lesotho	0.0100		0.01		0.0100	0.01
Liberia	0.0100		0.01		0.0100	0.01
Libyan Arab Jamahiriya	0.2025		0.20		0.2106	0.21
Lithuania	0.0850		0.08		0.0884	0.09
Luxembourg	0.0700		0.07		0.0728	0.07
Madagascar	0.0100		0.01		0.0100	0.01
Malawi	0.0100		0.01		0.0100	0.01

	UNITED NATIONS				UNIDO	
	Rates for Member States a/	Rates for non-Member States b/	Rates for Member States a/	Rates for non-Member States b/	Rates for Member States: (1) or (2) multiplied by co-efficient 1.040149 c/	Rates for Member States: (3) or (4) multiplied by co-efficient 1.039966 c/
	1996		1997		1996	1997
Member States	(1)	(2)	(3)	(4)	(5)	(6)
Malaysia	0.1400		0.14		0.1456	0.15
Maldives	0.0100		0.01		0.0100	0.01
Mali	0.0100		0.01		0.0100	0.01
Malta	0.0100		0.01		0.0100	0.01
Mauritania	0.0100		0.01		0.0100	0.01
Mauritius	0.0100		0.01		0.0100	0.01
Mexico	0.7875		0.79		0.8191	0.82
Mongolia	0.0100		0.01		0.0100	0.01
Morocco	0.0300		0.03		0.0312	0.03
Mozambique	0.0100		0.01		0.0100	0.01
Myanmar	0.0100		0.01		0.0100	0.01
Namibia	0.0100		0.01		0.0100	0.01
Nepal	0.0100		0.01		0.0100	0.01
Netherlands	1.5875		1.59		1.6512	1.66
New Zealand	0.2400		0.24		0.2497	0.25
Nicaragua	0.0100		0.01		0.0100	0.01
Niger	0.0100		0.01		0.0100	0.01
Nigeria	0.1150		0.11		0.1196	0.11
Norway	0.5600		0.56		0.5825	0.58
Oman	0.0400		0.04		0.0416	0.04
Pakistan	0.0600		0.06		0.0624	0.06
Panama	0.0100		0.01		0.0100	0.01
Papua New Guinea	0.0100		0.01		0.0100	0.01
Paraguay	0.0100		0.01		0.0100	0.01
Peru	0.0600		0.06		0.0624	0.06
Philippines	0.0600		0.06		0.0624	0.06
Poland	0.3375		0.33		0.3511	0.34
Portugal	0.2750		0.28		0.2861	0.29
Qatar	0.0400		0.04		0.0416	0.04
Republic of Korea	0.8175		0.82		0.8503	0.85
Republic of Moldova	0.0850		0.08		0.0884	0.09
Romania	0.1500		0.15		0.1560	0.16
Russian Federation	4.4500		4.27		4.6287	4.44
Rwanda	0.0100		0.01		0.0100	0.01
Saint Kitts and Nevis	0.0100		0.01		0.0100	0.01
Saint Lucia	0.0100		0.01		0.0100	0.01
Saint Vincent and the Grenadines	0.0100		0.01		0.0100	0.01
Sao Tome and Principe	0.0100		0.01		0.0100	0.01
Saudi Arabia	0.7200		0.71		0.7489	0.74
Senegal	0.0100		0.01		0.0100	0.01
Seychelles	0.0100		0.01		0.0100	0.01
Sierra Leone	0.0100		0.01		0.0100	0.01
Slovakia	0.0825		0.08		0.0858	0.09
Slovenia	0.0700		0.07		0.0728	0.07
Somalia	0.0100		0.01		0.0100	0.01
Spain	2.3625		2.38		2.4574	2.48
Sri Lanka	0.0100		0.01		0.0100	0.01

	UNITED NATIONS				UNIDO	
	Rates for Member States a/	Rates for non-Member States b/	Rates for Member States a/	Rates for non-Member States b/	Rates for Member States: (1) or (2) multiplied by coefficient 1.040149 c/	Rates for Member States: (3) or (4) multiplied by coefficient 1.039966 c/
	1996		1997		1996	1997
Member States	(1)	(2)	(3)	(4)	(5)	(6)
Sudan	0.0100		0.01		0.0100	0.01
Suriname	0.0100		0.01		0.0100	0.01
Swaziland	0.0100		0.01		0.0100	0.01
Sweden	1.2275		1.23		1.2768	1.28
Switzerland		1.21		1.21	1.2586	1.26
Syrian Arab Republic	0.0500		0.05		0.0520	0.05
Tajikistan	0.0200		0.02		0.0208	0.02
Thailand	0.1300		0.13		0.1352	0.14
The former Yugoslav Republic of Macedonia	0.0100		0.01		0.0100	0.01
Togo	0.0100		0.01		0.0100	0.01
Tonga		0.01		0.01	0.0100	0.01
Trinidad and Tobago	0.0325		0.03		0.0338	0.03
Tunisia	0.0300		0.03		0.0312	0.03
Turkey	0.3750		0.38		0.3901	0.40
Uganda	0.0100		0.01		0.0100	0.01
Ukraine	1.1400		1.09		1.1858	1.14
United Arab Emirates	0.1900		0.19		0.1976	0.20
United Kingdom of Great Britain and Northern Ireland	5.3150		5.32		5.5284	5.53
United Republic of Tanzania	0.0100		0.01		0.0100	0.01
United States of America	25.0000		25.00		25.0000	25.00
Uruguay	0.0400		0.04		0.0416	0.04
Uzbekistan	0.1375		0.13		0.1430	0.14
Vanuatu	0.0100		0.01		0.0100	0.01
Venezuela	0.3375		0.33		0.3511	0.34
Viet Nam	0.0100		0.01		0.0100	0.01
Yemen	0.0100		0.01		0.0100	0.01
Yugoslavia d/	0.1025		0.10		0.1066	0.10
Zaire	0.0100		0.01		0.0100	0.01
Zambia	0.0100		0.01		0.0100	0.01
Zimbabwe	0.0100		0.01		0.0100	0.01
Total	95.9175	1.22	95.93	1.22	100.0000	100.00

a/ Based on General Assembly resolution 49/19 B as contained in General Assembly document A/49/673/Add.1.

b/ Based on General Assembly resolution 49/19 B; columns (2) and (4) of the present annex cover non-Member States of the United Nations that are Members of UNIDO.

c/ Coefficient is not applied to Member States with assessment rates of 0.01 per cent or 25.00 per cent.

d/ In accordance with General Conference resolution GC/S.1/Res.1, the Federal Republic of Yugoslavia (Serbia and Montenegro) cannot continue automatically the membership of the former Socialist Federal Republic of Yugoslavia in UNIDO. Subject to any amendment to the United Nations scale of assessments approved by the United Nations General Assembly, this rate will apply to the Federal Republic of Yugoslavia (Serbia and Montenegro) should it apply for membership in UNIDO and be accepted.

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SCALE OF ASSESSMENTS FOR THE APPORTIONMENT OF THE REGULAR BUDGET EXPENSES

Scale of assessments for the fiscal period 1996-1997

Addendum

Note by the Secretariat

1. As stated in document PBC.11/5, paragraph 4, adjustments to the scale of assessments to include any State which becomes a Member between the date of that document and the closure of the sixth session of the General Conference will be communicated to the Conference.

2. On 16 February 1995 the Government of Turkmenistan deposited its instrument of accession to the UNIDO Constitution. The scale of assessments attached in the annex to the present document reflects the inclusion of Turkmenistan in accordance with Articles 3, 24 and 25 of the Constitution of UNIDO. Rates of assessment of 0.0338 and 0.03 per cent for Turkmenistan have been established in the revised UNIDO scale of assessments for 1996 and 1997, respectively. The adjusted rates of assessment calculated on the revised coefficient resulting from the inclusion of a new Member State are reflected in the annex to the present document.

ACTION REQUIRED OF THE COMMITTEE

3. The Committee may wish to take into account the revised scale of assessments contained in the present document when deciding to establish a scale of assessments for the regular budget expenditures of UNIDO for the fiscal period 1996-1997.

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Annex

SCALE OF ASSESSMENTS FOR 1996 and 1997
(Percentage)

Member States	UNITED NATIONS 1996 Rates for Member States a (1)	UNITED NATIONS 1996 Rates for non-Member States b (2)	UNITED NATIONS 1997 Rates for Member States a (3)	UNITED NATIONS 1997 Rates for non-Member States b (4)	UNIDO 1996 Rates for Member States (1) or (2) multiplied by co-efficient 1.0396748 c/ (5)	UNIDO 1997 Rates for Member States (3) or (4) multiplied by co-efficient 1.039529 c/ (6)
Afghanistan	0.0100		0.01		0.0100	0.01
Albania	0.0100		0.01		0.0100	0.01
Algeria	0.1600		0.16		0.1663	0.17
Angola	0.0100		0.01		0.0100	0.01
Argentina	0.4800		0.48		0.4990	0.50
Armenia	0.0550		0.05		0.0572	0.05
Australia	1.4800		1.48		1.5387	1.54
Austria	0.8650		0.87		0.8993	0.90
Azerbaijan	0.1175		0.11		0.1222	0.11
Bahamas	0.0200		0.02		0.0208	0.02
Bahrain	0.0200		0.02		0.0208	0.02
Bangladesh	0.0100		0.01		0.0100	0.01
Barbados	0.0100		0.01		0.0100	0.01
Belarus	0.2925		0.28		0.3041	0.29
Belgium	1.0075		1.01		1.0475	1.05
Belize	0.0100		0.01		0.0100	0.01
Benin	0.0100		0.01		0.0100	0.01
Bhutan	0.0100		0.01		0.0100	0.01
Bolivia	0.0100		0.01		0.0100	0.01
Bosnia and Herzegovina	0.0125		0.01		0.0130	0.01
Botswana	0.0100		0.01		0.0100	0.01
Brazil	1.6200		1.62		1.6843	1.68
Bulgaria	0.0825		0.08		0.0858	0.08
Burkina Faso	0.0100		0.01		0.0100	0.01
Burundi	0.0100		0.01		0.0100	0.01
Cameroon	0.0100		0.01		0.0100	0.01
Cape Verde	0.0100		0.01		0.0100	0.01
Central African Republic	0.0100		0.01		0.0100	0.01
Chad	0.0100		0.01		0.0100	0.01
Chile	0.0800		0.08		0.0832	0.08
China	0.7350		0.74		0.7642	0.77
Colombia	0.1000		0.10		0.1040	0.10
Comoros	0.0100		0.01		0.0100	0.01
Congo	0.0100		0.01		0.0100	0.01
Costa Rica	0.0100		0.01		0.0100	0.01
Côte d'Ivoire	0.0100		0.01		0.0100	0.01
Croatia	0.0900		0.09		0.0936	0.09
Cuba	0.0525		0.05		0.0546	0.05
Cyprus	0.0300		0.03		0.0312	0.03
Czech Republic	0.2600		0.25		0.2703	0.26
Democratic People's Republic of Korea	0.0500		0.05		0.0520	0.05
Denmark	0.7175		0.72		0.7460	0.75
Djibouti	0.0100		0.01		0.0100	0.01
Dominica	0.0100		0.01		0.0100	0.01
Dominican Republic	0.0100		0.01		0.0100	0.01
Ecuador	0.0200		0.02		0.0208	0.02
Egypt	0.0700		0.08		0.0728	0.08
El Salvador	0.0100		0.01		0.0100	0.01
Equatorial Guinea	0.0100		0.01		0.0100	0.01
Ethiopia	0.0100		0.01		0.0100	0.01
Fiji	0.0100		0.01		0.0100	0.01
Finland	0.6175		0.62		0.6420	0.64

SCALE OF ASSESSMENTS FOR 1996 and 1997
(Percentage)

Member States	UNITED NATIONS				UNIDO	
	Rates for Member States a/	Rates for non-Member States b/	Rates for Member States a/	Rates for non-Member States b/	Rates for Member States: (1) or (2) multiplied by co-efficient 1.0396748 c/	Rates for Member States: (3) or (4) multiplied by co-efficient 1.039529 c/
	1996		1997		1996	1997
	(1)	(2)	(3)	(4)	(5)	(6)
France	6.4075		6.42		6.6617	6.67
Gabon	0.0100		0.01		0.0100	0.01
Gambia	0.0100		0.01		0.0100	0.01
Georgia	0.1175		0.11		0.1222	0.11
Germany	9.0425		9.06		9.4012	9.42
Ghana	0.0100		0.01		0.0100	0.01
Greece	0.3800		0.38		0.3951	0.40
Grenada	0.0100		0.01		0.0100	0.01
Guatemala	0.0200		0.02		0.0208	0.02
Guinea	0.0100		0.01		0.0100	0.01
Guinea-Bissau	0.0100		0.01		0.0100	0.01
Guyana	0.0100		0.01		0.0100	0.01
Haiti	0.0100		0.01		0.0100	0.01
Honduras	0.0100		0.01		0.0100	0.01
Hungary	0.1400		0.14		0.1455	0.15
India	0.3100		0.31		0.3223	0.32
Indonesia	0.1400		0.14		0.1455	0.15
Iran (Islamic Republic of)	0.4675		0.45		0.4860	0.47
Iraq	0.1400		0.14		0.1455	0.15
Ireland	0.2100		0.21		0.2183	0.22
Israel	0.2675		0.27		0.2781	0.28
Italy	5.1975		5.25		5.4037	5.46
Jamaica	0.0100		0.01		0.0100	0.01
Japan	15.4350		15.65		16.0474	16.27
Jordan	0.0100		0.01		0.0100	0.01
Kenya	0.0100		0.01		0.0100	0.01
Kuwait	0.1900		0.19		0.1975	0.20
Kyrgyzstan	0.0325		0.03		0.0338	0.03
Lao People's Democratic Republic	0.0100		0.01		0.0100	0.01
Lebanon	0.0100		0.01		0.0100	0.01
Lesotho	0.0100		0.01		0.0100	0.01
Liberia	0.0100		0.01		0.0100	0.01
Libyan Arab Jamahiriya	0.2025		0.20		0.2105	0.21
Lithuania	0.0850		0.08		0.0884	0.09
Luxembourg	0.0700		0.07		0.0728	0.07
Madagascar	0.0100		0.01		0.0100	0.01
Malawi	0.0100		0.01		0.0100	0.01
Malaysia	0.1400		0.14		0.1455	0.15
Maldives	0.0100		0.01		0.0100	0.01
Mali	0.0100		0.01		0.0100	0.01
Malta	0.0100		0.01		0.0100	0.01
Mauritania	0.0100		0.01		0.0100	0.01
Mauritius	0.0100		0.01		0.0100	0.01
Mexico	0.7875		0.79		0.8187	0.82
Mongolia	0.0100		0.01		0.0100	0.01
Morocco	0.0300		0.03		0.0312	0.03
Mozambique	0.0100		0.01		0.0100	0.01
Myanmar	0.0100		0.01		0.0100	0.01
Namibia	0.0100		0.01		0.0100	0.01
Nepal	0.0100		0.01		0.0100	0.01
Netherlands	1.5875		1.59		1.6505	1.65
New Zealand	0.2400		0.24		0.2495	0.25
Nicaragua	0.0100		0.01		0.0100	0.01

SCALE OF ASSESSMENTS FOR 1996 and 1997
(Percentage)

	UNITED NATIONS				UNIDO	
	Rates for Member States a	Rates for non-Member States b	Rates for Member States a	Rates for non-Member States b	Rates for Member States (1) or (2) multiplied by co-efficient 1.0396748 c	Rates for Member States (3) or (4) multiplied by co-efficient 1.039529 c
	1996		1997		1996	1997
Member States	(1)	(2)	(3)	(4)	(5)	(6)
Niger	0.0100		0.01		0.0100	0.01
Nigeria	0.1150		0.11		0.1196	0.11
Norway	0.5600		0.56		0.5822	0.58
Oman	0.0400		0.04		0.0416	0.04
Pakistan	0.0600		0.06		0.0624	0.06
Panama	0.0100		0.01		0.0100	0.01
Papua New Guinea	0.0100		0.01		0.0100	0.01
Paraguay	0.0100		0.01		0.0100	0.01
Peru	0.0600		0.06		0.0624	0.06
Philippines	0.0600		0.06		0.0624	0.06
Poland	0.3375		0.33		0.3509	0.34
Portugal	0.2750		0.28		0.2859	0.29
Qatar	0.0400		0.04		0.0416	0.04
Republic of Korea	0.8175		0.82		0.8499	0.85
Republic of Moldova	0.0850		0.08		0.0884	0.09
Romania	0.1500		0.15		0.1560	0.16
Russian Federation	4.4500		4.27		4.6265	4.44
Rwanda	0.0100		0.01		0.0100	0.01
Saint Kitts and Nevis	0.0100		0.01		0.0100	0.01
Saint Lucia	0.0100		0.01		0.0100	0.01
Saint Vincent and the Grenadines	0.0100		0.01		0.0100	0.01
Sao Tome and Principe	0.0100		0.01		0.0100	0.01
Saudi Arabia	0.7200		0.71		0.7486	0.74
Senegal	0.0100		0.01		0.0100	0.01
Seychelles	0.0100		0.01		0.0100	0.01
Sierra Leone	0.0100		0.01		0.0100	0.01
Slovakia	0.0825		0.08		0.0858	0.09
Slovenia	0.0700		0.07		0.0728	0.07
Somalia	0.0100		0.01		0.0100	0.01
Spain	2.3625		2.38		2.4562	2.48
Sri Lanka	0.0100		0.01		0.0100	0.01
Sudan	0.0100		0.01		0.0100	0.01
Suriname	0.0100		0.01		0.0100	0.01
Swaziland	0.0100		0.01		0.0100	0.01
Sweden	1.2275		1.23		1.2762	1.28
Switzerland		1.21		1.21	1.2580	1.26
Syrian Arab Republic	0.0500		0.05		0.0520	0.05
Tajikistan	0.0200		0.02		0.0208	0.02
Thailand	0.1300		0.13		0.1351	0.14
The former Yugoslav Republic of Macedonia	0.0100		0.01		0.0100	0.01
Togo	0.0100		0.01		0.0100	0.01
Tonga		0.01		0.01	0.0100	0.01
Trinidad and Tobago	0.0325		0.03		0.0338	0.03
Tunisia	0.0300		0.03		0.0312	0.03
Turkey	0.3750		0.38		0.3899	0.40
Turkmenistan	0.0325		0.03		0.0338	0.03
Uganda	0.0100		0.01		0.0100	0.01
Ukraine	1.1400		1.09		1.1852	1.14
United Arab Emirates	0.1900		0.19		0.1975	0.20
United Kingdom of Great Britain and Northern Ireland	5.3150		5.32		5.5259	5.53
United Republic of Tanzania	0.0100		0.01		0.0100	0.01

SCALE OF ASSESSMENTS FOR 1996 and 1997
(Percentage)

	UNITED NATIONS				U N I D O	
	Rates for Member States a/	Rates for non-Member States b/	Rates for Member States a/	Rates for non-Member States b/	Rates for Member States (1) or (2) multiplied by co-efficient 1.0396748 c/	Rates for Member States (3) or (4) multiplied by co-efficient 1.039529 c/
	1996		1997		1996	1997
Member States	(1)	(2)	(3)	(4)	(5)	(6)
United States of America	25.0000		25.00		25.0000	25.00
Uruguay	0.0400		0.04		0.0416	0.04
Uzbekistan	0.1375		0.13		0.1429	0.14
Vanuatu	0.0100		0.01		0.0100	0.01
Venezuela	0.3375		0.33		0.3509	0.34
Viet Nam	0.0100		0.01		0.0100	0.01
Yemen	0.0100		0.01		0.0100	0.01
Yugoslavia d/	0.1025		0.10		0.1066	0.10
Zaire	0.0100		0.01		0.0100	0.01
Zambia	0.0100		0.01		0.0100	0.01
Zimbabwe	0.0100		0.01		0.0100	0.01
Total	95.9500	1.22	95.96	1.22	100.0000	100.00

a/ Based on General Assembly resolution 49/19 B as contained in General Assembly document A/49/673/Add.1.

b/ Based on General Assembly resolution 49/19 B; columns (2) and (4) of the present annex cover non-Member States of the United Nations that are Members of UNIDO.

c/ Coefficient is not applied to Member States with assessment rates of 0.01 per cent or 25.00 per cent.

d/ In accordance with General Conference resolution GC/S.1/Res.1, the Federal Republic of Yugoslavia (Serbia and Montenegro) cannot continue automatically the membership of the former Socialist Federal Republic of Yugoslavia in UNIDO. Subject to any amendment to the United Nations scale of assessments approved by the United Nations General Assembly, this rate will apply to the Federal Republic of Yugoslavia (Serbia and Montenegro) should it apply for membership in UNIDO and be accepted.

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Fourteenth session
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Programme and Budget Committee

Eleventh session
Vienna, 24-28 April 1995
Item 9 of the provisional agenda

INDUSTRIAL DEVELOPMENT FUND

Estimated resource level and programming thrust for 1996 and 1997

Report by the Director-General

Summary

Reviews the current pledging pattern of the Industrial Development Fund and describes the Secretariat's approaches for the programming thrust for 1996 and 1997.

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Introduction

1. The Industrial Development Fund (IDF) is a key financial mechanism, anchored in the UNIDO Constitution, to enable the Organization to fulfil its mandates.

2. In addition to providing information on current pledging patterns and approvals, the present document focuses on IDF activities as broken down by medium-term plan priority area and common element. In outlining the IDF action plan for 1996-1997, the text describes how such fundamental aspects as quality management and lessons learned from past experience are key elements of programme and project development.

I. OVERVIEW OF 1994

A. Pledges

3. In 1994 IDF received $71.5 million in pledges, as shown in the following table, which also shows the trends in the pledges received:

Pledges to IDF, 1992 to 1994
(in US dollars)

	1992	1993	1994
Governments and organizations	30,320,173	24,802,429	27,852,118
United Nations International Drug Control Programme	-	2,544,640	1,605,435
Montreal Protocol	-	6,899,617	42,087,899
Total	30,320,173	34,246,686	71,545,452

The above figures show that in 1994 the pledges provided by donor Governments increased by 12 per cent as compared with 1993. As also shown, during 1994 the Secretariat was particularly successful in attracting additional contributions from funds available from the Montreal Protocol.

B. Approvals

4. Although projects cleared during any year by the Programme and Project Review Committee for submission for IDF special-purpose donor funding are in a number of cases approved by donors in the following year, the submission and approval figures and trends for 1994 already show a greater selectivity on the part of the UNIDO Secretariat as well as a higher quality of proposals. Thus, while there was a large decrease in the numbers and value of projects submitted for potential IDF financing (in 1992, 106 projects amounting to $57.3 million; in 1993, 98 projects amounting to $46 million; and in 1994, 59 projects amounting to $28.3 million), new approvals showed a smaller decrease with $26 million in 1992, $23.7 million in 1993 and $21.3 million in 1994. This represented 45 per cent of submissions in 1992, 52 per cent in 1993 and 75 per cent in 1994.

C. Geographical and sectoral distribution of funds

5. Owing to the mainly special-purpose type of funding under IDF and the extremely limited resources under the general-purpose convertible segment ($0.8 million in 1994), the Secretariat lacks programmable resources and is thus largely dependent on donor priorities for its technical cooperation activities. Despite this constraint, through a proactive effort the Secretariat has been successful in ensuring a balanced geographical and thematic distribution of funds as shown below:

II. 1996-1997 ACTION PLAN

A. Building on experience and past successes

6. An important dimension of the ongoing reform process in UNIDO is the ability of the Organization to improve its field operations. This acquires particular importance within the framework of IDF-sponsored activities, which are among the main instruments for developing and conducting operational field activities. Detailed information on IDF-sponsored activities is provided in a conference room paper (PBC.11/CRP.1).

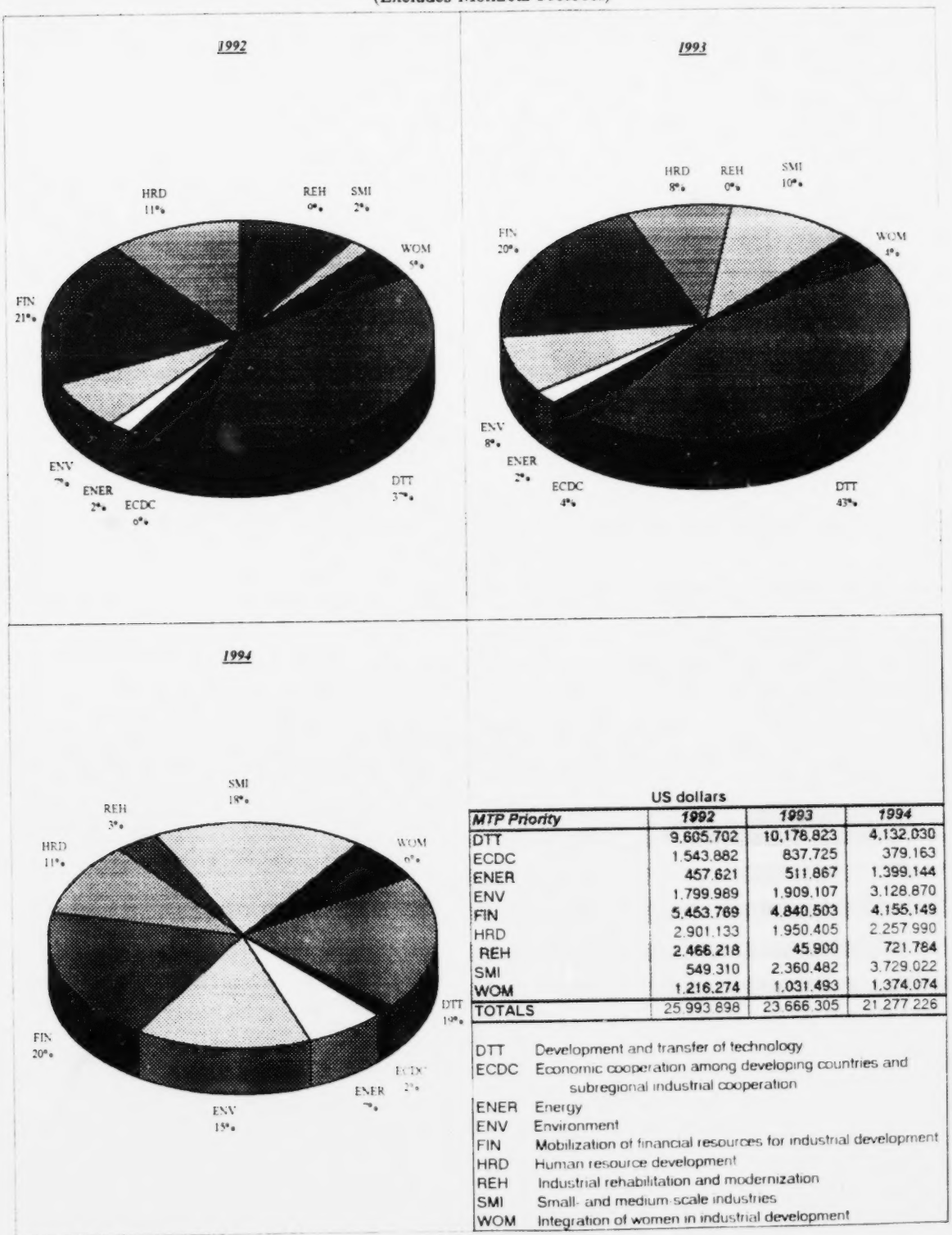
7. Building on acquired experience will constitute the basis for developing programmes and projects of high quality and impact in the forthcoming biennium. The lessons learned from success stories may be summarized as follows:

(a) A careful analysis of problems and development needs must be carried out prior to the commencement of the programme/project. In this connection, human and financial resources will be invested for preparatory assistance, needs assessment and involvement of the target beneficiaries;

Figure 1

New IDF approvals by medium-term plan priority area and common element, by per cent a/

(Excludes Montreal Protocol)



US dollars

MTP Priority	1992	1993	1994
DTT	9,605,702	10,178,823	4,132,030
ECDC	1,543,882	837,725	379,163
ENER	457,621	511,867	1,399,144
ENV	1,799,989	1,909,107	3,128,870
FIN	5,453,789	4,840,503	4,155,149
HRD	2,901,133	1,950,405	2,257,990
REH	2,466,218	45,900	721,784
SMI	549,310	2,360,482	3,729,022
WOM	1,216,274	1,031,493	1,374,074
TOTALS	25,993,898	23,666,305	21,277,226

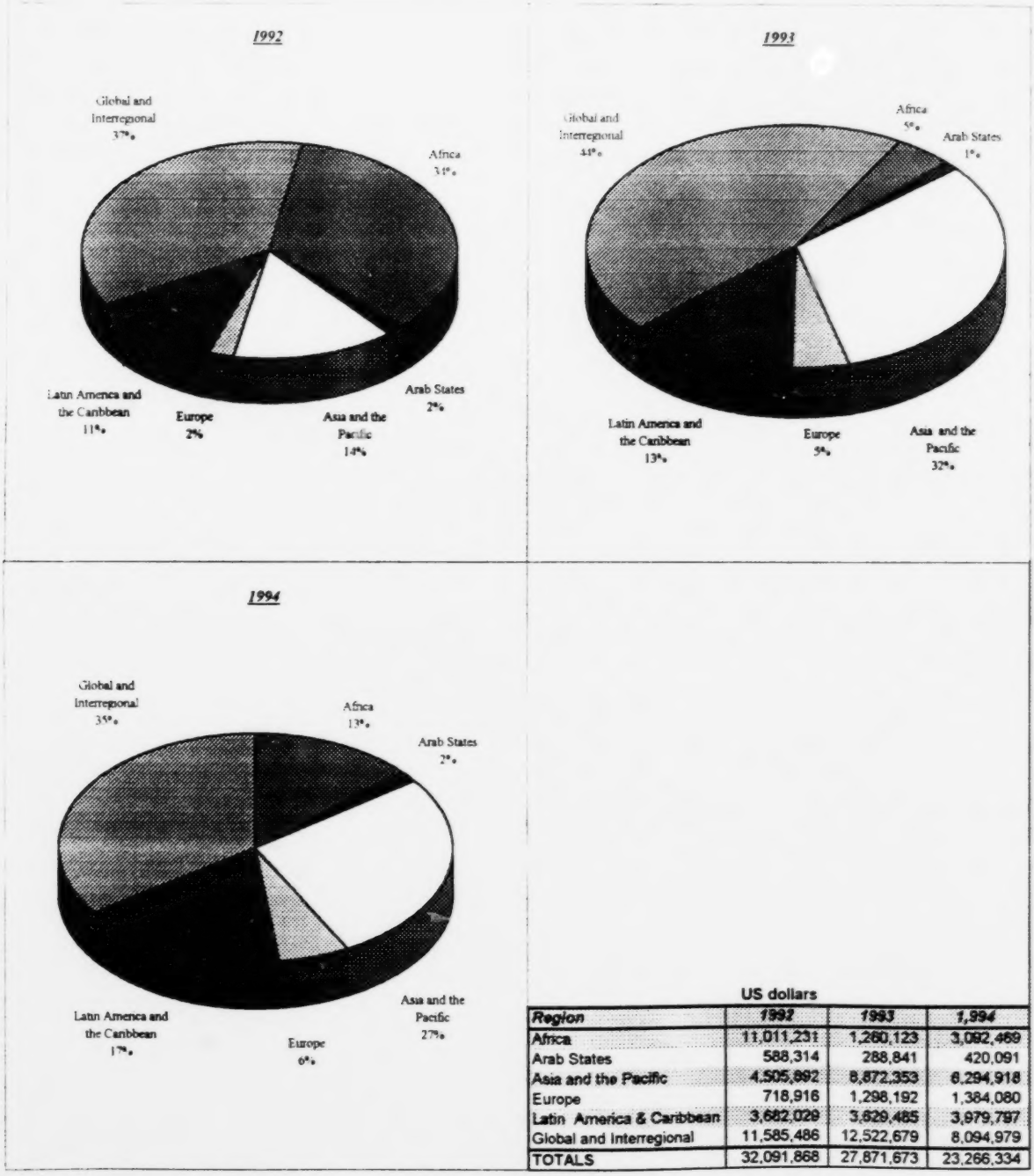
DTT	Development and transfer of technology
ECDC	Economic cooperation among developing countries and subregional industrial cooperation
ENER	Energy
ENV	Environment
FIN	Mobilization of financial resources for industrial development
HRD	Human resource development
REH	Industrial rehabilitation and modernization
SMI	Small- and medium-scale industries
WOM	Integration of women in industrial development

a/ New approvals only (excluding changes/revisions) are utilized to reflect the thematic distribution, as net figures would include projects approved prior to the establishment of the medium-term plan priority areas for 1990-1995.

Figure 2

Net IDF approvals by region, by per cent a/

(Excludes Montreal Protocol)



US dollars

Region	1992	1993	1,994
Africa	11,011,231	1,260,123	3,082,469
Arab States	588,314	288,841	420,091
Asia and the Pacific	4,505,892	8,872,353	6,294,918
Europe	718,916	1,298,192	1,384,080
Latin America & Caribbean	3,682,029	3,829,485	3,979,797
Global and Interregional	11,585,486	12,522,679	8,094,979
TOTALS	32,091,868	27,871,673	23,266,334

a/ Includes changes/revisions to existing projects

(b) The credibility of UNIDO is contingent upon its technical and professional expertise and its capability to pool various types of expertise in providing knowledge-based (rather than purely administrative) services to its clients;

(c) Priority must be awarded to large-scale programmes and projects providing integrated solutions, i.e. addressing industrial sector needs at the policy, institutional and enterprise levels and/or providing analytical, promotional, information and technical services.

8. The IDF programme and plan, 1996-1997, will award priority to programmes and projects targeting, as main beneficiaries, small and medium enterprises and provide assistance primarily at the policy and institutional levels. Development of local capability will be targeted rather than the provision of direct support. Importance will also be given to UNIDO activities being complementary and closely coordinated with those of other multi- and bilateral cooperation agencies.

B. IDF as an instrument to translate the 1996-1997 priority themes into action

9. In the forthcoming biennium, IDF will also constitute one of the main tools to translate into action the priority programmatic themes outlined in the programme and budgets, 1996-1997 (document IDB.14/2-PBC.11/2, para. 44). They comprise: (a) strategies, policies and institution-building for global economic integration; (b) Africa and least developed countries: linking industry with agriculture; (c) environment and energy; (d) small and medium enterprises: policies and networking; (e) innovation, productivity and quality for international competitiveness; (f) industrial information; and (g) rural industrial development.

10. Since UNIDO has to observe its multilateral and universal mandate, no regional priorities will be established, apart from the focus on Africa and least developed countries (LDCs) mandated by the Yaoundé Declaration (GC.5/Res.20). Along the lines followed in 1994, regional priority setting by donors will, to some extent, be counterbalanced by a proactive approach by the Secretariat to reach equitable geographical distribution.

C. Quality system for UNIDO technical cooperation services

11. One of the main aspects of the reform process of UNIDO approved by the General Conference (GC.5/Res.18) at its fifth session relates to the adoption of a quality management system. With regard to UNIDO technical cooperation and other services provided to its clients in developing countries, a blueprint of the quality system has been prepared (CPD.11). Financial resources for the development and improvement of that system were provided through IDF.

12. Quality in UNIDO technical cooperation services can best be achieved by laying down the conditions for successful identification, formulation and implementation of UNIDO services. In 1994, UNIDO identified and formulated a number of projects through a participatory approach with clients in recipient countries using the objectives-oriented project planning (OOPP) methodology or similar approaches. IDF-sponsored preparatory assistance projects designed on the basis of the new approach were undertaken in: India (establishment of the lignite fuel and energy research institute); Indonesia (transfer of PCM/OOPP methods to the Ministry of Industry); Viet Nam (small and medium enterprise development programme); and establishment of national cleaner production centres in India, Indonesia, Mexico, United Republic of Tanzania and Zimbabwe.

13. Quality management is a long-term reform process involving a fundamental change in the culture and working processes of the Organization. UNIDO is at the forefront in the development and application of the system among multi- and bilateral development cooperation agencies, but further funding and work are required to fully introduce the system.

14. In the following biennium further attention will be given to the application of OOPP in project development and implementation as well as to identifying, mobilizing funding and implementing a larger number of projects based on the participatory approach. Using the feedback and experience acquired, the system will be further improved.

15. Special attention will also be awarded to monitoring and evaluation, which are critical elements for successful implementation. To the extent possible, the same participatory approach will be applied as in the development stage of UNIDO services involving not only the client but also the target beneficiaries.

D. Complementary use of UNIDO-managed funds

16. The various funding sources will be utilized in a complementary manner for the different types of services and will aim at reinforcing each other as follows:

(a) The regular budget and the Regular Programme for Technical Cooperation will be used mainly for the analytic and normative activities of UNIDO with global impact. The Regular Programme will also provide part

of the seed money necessary for programme development;

(b) Core IDF and trust fund contributions provided regularly by the major traditional donors will be directed primarily to activities for Africa and LDCs, as well as to other special regional programmes; economic co-operation among developing countries (ECDC) will be awarded particular attention;

(c) Ad hoc contributions to IDF and trust funds for special programmes will be mobilized from additional sources for specific programmes such as environment and the particular needs of Eastern European countries.

E. Target for IDF contributions

17. The target for IDF contributions in 1996 and 1997 will continue to be $50 million, as established by the policy-making organs of UNIDO. In that respect, the high resource base achieved in 1994 is, to a large extent, due to the outstanding success of mobilizing funds from the Montreal Protocol, which is a convention-specific, time-bound facility not available for overall industrial development issues. An increase of government contributions to reach the target of $50 million will be necessary for the Organization to cover its priority areas.

18. The UNIDO Secretariat's action plan for 1996-1997 for IDF will thus comprise the following steps:

(a) Definition, promotion and implementation of a limited number of high quality large-scale programmes and projects;

(b) The programmes/projects will build upon UNIDO experience and success stories in terms of provision of knowledge-based services through high-level and multidisciplinary expertise;

(c) Small-scale projects will be confined to those of a preparatory assistance nature and to strategic projects for the provision of high-level advice to solve specific problems;

(d) The programmable resources of UNIDO under the general-purpose convertible segment of IDF will be utilized mainly for preparatory assistance and assessment of needs;

(e) Quality management will continue to be strengthened and will encompass all stages of project development, including implementation;

(f) Resources (both human and financial) will be concentrated on selected activities. Focus will be awarded to the priority programmatic themes outlined in paragraph 9 above;

(g) Regular budget and extrabudgetary funding will be used in a complementary and mutually reinforcing manner.

III. ACTION REQUIRED OF THE COMMITTEE

19. The Committee may wish to consider recommending to the Industrial Development Board the adoption of the following draft decision:

"The Industrial Development Board:

"(a) Recalls the Yaoundé Declaration (GC.5/Res.20) as well as decision IDB.13/Dec.17 on the Industrial Development Fund;

"(b) Takes note of the report of the Director-General contained in document IDB.14/5-PBC.11/6;

"(c) Approves the action plan for 1996 and 1997 as contained in chapter II of that document;

"(d) Decides to delegate authority to the Director-General to approve projects for financing under the Fund in 1996 and 1997 in accordance with the priority areas of the medium-term plan;

"(e) In reiterating General Conference resolution GC.5/Res.8, encourages Member States:

"(i) To increase their IDF pledges to ensure that the desirable annual funding level of $50 million be reached as soon as possible through contributions by Governments;

"(ii) To provide part of their contributions to the general-purpose convertible segment of the Fund so that a minimum annual level of $10 million can be achieved for that segment as soon as possible;

"(iii) To consider providing umbrella contributions for financing preparatory assistance of large-scale activities and/or contributions towards the 1996-1997 priority programmatic themes."